

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 27, 2006

GENERAL SITE DEVELOPMENT REPORT

PURPOSE OF REPORT

To provide an update based on the Board's request regarding the general site development grant for additions to existing school sites where additional acreage is not acquired.

BACKGROUND

A report was presented at the June 2006 State Allocation Board (SAB) meeting including proposed regulations to provide an additional grant for general site development for new school projects and addition projects to existing sites wherein additional acreage is acquired. Staff reported that when the topic was presented at the June 2006 SAB Implementation Committee meeting, some of the Implementation Committee members and other stake holders expressed concerns that only new school projects and projects that are acquiring additional acreage would be eligible for the general site additional grant. It was stated that since addition projects still incur general site expenses, they should at least be eligible for the percentage increase proposed. The Board requested additional information whether the general site grant should be provided for additions to existing sites wherein additional acreage is not being acquired.

AUTHORITY

Education Code Section 17072.12 states that the Board may provide funding for assistance in site development and acquisition. The SAB's Legal Counsel has opined, "Because the School Facility Program (SFP) does not define site development, the Board may adopt regulations to define and clarify the types and amounts of site development assistance that can be provided."

STAFF COMMENTS

General site work is often included in addition projects that do not include site acquisition; however, since land is not being acquired for the project, the work included is typically not as extensive as the work included in new school projects or projects that include the acquisition of additional acreage. General site work includes, but is not limited to: finish grading, on-site hard surfaced areas for foot traffic, driveways, walkways, outdoor instructional play facilities, permanent playground equipment, athletic fields, and landscaping. Currently, the SFP uses the same methodology to fund both new schools and addition projects. The additional grant for general site development regulations approved at the June 2006 SAB meeting was based upon the initial findings of the analysis of the SFP new construction grants to build complete schools. While schools constructed on new sites with no existing facilities were included in the initial phase of the grant adequacy study, the same analysis of the grants for addition projects is ongoing.

Staff is diligently working to complete the analysis to determine whether or not the funding provided by the SFP is adequate for addition projects. The study also includes an analysis of the impact the grant increases provided by Assembly Bill 127 (Chapter 35, Statutes of 2006) would have on these projects. If it is determined that a funding deficiency exists for addition projects, it is prudent to first determine if the forthcoming grant increases will account for the deficiency before recommending any additional grants. Until the study is complete, Staff cannot state if grants for addition projects are inadequate similar to new school projects or if they are adequately funded. Likewise, if a deficiency exists, it must be quantified by a thorough analysis before an accurate methodology for its remedy can be formulated. Staff requests that the Board consider this matter once the grant adequacy study is complete and comprehensive conclusions can be presented.

RECOMMENDATION

Accept this report.

This Item was approved by the State Allocation Board on September 27, 2006.